



News Release

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E-FILING HELPS MAKE PAYING TAXES EASIER

WASHINGTON – Growing numbers of people who owe taxes are discovering the convenient payment advantages of electronic filing. With the click of a mouse, taxpayers can file their tax return and defer payment until April 16, 2001 – no check to write, no standing in line at the post office. There were 2.3 million e-filers with a balance due in 2000, up from 1.5 million in 1999. For the current filing season, that number exceeds 713,000, which is 24% ahead of the comparable period last year.

The Internal Revenue Service offers two electronic payment options for e-filers -- automatic withdrawal and credit card. Under the automatic withdrawal option, taxpayers can designate a checking or savings account at the time the return is filed and defer the payment until the due date of the return. Taxpayers will need to provide their bank account number and the routing transit number of their financial institution to authorize the withdrawal. There is no fee for an automatic withdrawal arrangement. Nearly 25,000 taxpayers have authorized automatic withdrawals as of March 3, an increase of 42 percent over the same time last year.

Taxpayers may also charge federal income taxes to an American Express, MasterCard or Discover Card account by contacting one of the two companies authorized by the IRS to process such payments. Both companies will take charges by phone or through a Web site. There is no IRS fee for credit card payments, but the processors do charge a convenience fee. PhoneCharge, Inc. may be reached at 1-888-ALLTAXX (1-888-255-8299), or at www.About1888ALLTAXX.com. Official Payments Corporation may be reached at 1-800-2PAY-TAX (1-800-272-9829), or at www.officialpayments.com.

Taxpayers may also file early and wait until April to phone in a credit card charge. Taxpayers may use a credit card whether filing on paper or electronically. Unlike an automatic withdrawal payment, the card charge cannot be scheduled for a later date – it will be made when it is authorized. As of March 3, more than 16,000 had charged their taxes, an increase of more than 171 percent over the same time last year.

Currently in its 16th year, the IRS e-file program provides a fast, safe and accurate way for taxpayers to file their returns. More than 35 million taxpayers filed electronically in 2000 and the IRS expects about 42 million to do so this year.

For additional information on e-filing and electronic payment options, visit the IRS Web site at www.irs.gov and click on "Electronic Services."

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2001 FILING SEASON STATISTICS

Cumulative through the week ending 3/3/00 and 3/2/01

	<u>2000</u>	<u>2001</u>	<u>% Change</u>
Individual Income Tax Returns			
Total Receipts	46,731,000	45,938,000	- 1.7
Total Processed	38,073,000	37,001,000	- 2.8
E-filing Receipts:			
TOTAL	23,355,000	25,407,000	8.8
TeleFile (phone)	3,721,000	3,152,000	-15.3
Computer	19,634,000	22,255,000	13.3
Tax Professionals	17,119,000	18,854,000	10.1
Self-prepared	2,515,000	3,401,000	35.2
Refunds Certified by the Martinsburg Computing Center:			
Number	34,914,000	33,701,000	- 3.5
Amount of principal	\$61.952 billion	\$63.085 billion	1.8
Average refund	\$1774	\$1872	5.5
Direct Deposit Refunds:			
Number	18,408,000	20,277,000	10.2
Amount	\$40.517 billion	\$45.410 billion	12.1
Average	\$2201	\$2239	1.7